



FOR CLERK USE ONLY	
RDA	Item No. <u>1</u>

CALEXICO COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF CALEXICO FACT SHEET

Redevelopment Agency
Department

April 6, 2010
Requested Date

1. **Request:**

RDA Approval	<input checked="" type="checkbox"/>	Information Only/ Presentation	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>	Hearing	<input type="checkbox"/>

2. **Requested Action:**

Recommendation to direct Agency staff to revise Storefront Improvement Program Guidelines

3. **Fiscal Impact:**

Revenue:	Increase <input type="checkbox"/>	Source:	_____
	Decrease <input type="checkbox"/>	Amount:	_____
Cost:	Increase <input type="checkbox"/>	Source:	_____
	Decrease <input type="checkbox"/>	Amount:	_____
Does Not Apply <input checked="" type="checkbox"/>			

4. **Reviewed By:**

Finance Dept. on _____ By: _____
Comments: _____

City Attorney on _____ By: _____
Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

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RDA DATE: _____

Action	<input type="checkbox"/>	Filing	<input type="checkbox"/>
Consent	<input type="checkbox"/>	Presentation	<input type="checkbox"/>
Hearing	<input type="checkbox"/>	Other(specify)	<input type="checkbox"/>

Reviewed by: City Clerk _____
Date _____

City Manager _____
Date _____

REDEVELOPMENT AGENCY AGENDA REPORT

SUBJECT: Storefront Improvement Program Guidelines

AGENDA DATE: April 6, 2010

PREPARED BY: Rosalind Guerrero, RDA Director



APPROVED FOR AGENDA BY: Victor Carrillo, City Manager

RECOMMENDATION: Direct staff to revise guidelines

FISCAL IMPACT: to be determined

BACKGROUND INFORMATION: (Prior action/information)

The Agency Board at a recent meeting suggested revising the guidelines to allow additional assistance to businesses participating in the program.

Staff request's direction on the changes proposed.

Agenda Item No. _____

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CALEXICO COMMERCIAL STOREFRONT REBATE IMPROVEMENT PROGRAM

I. INTRODUCTION

The Storefront Rebate Program is designed to stimulate building improvements and upgrade the appearance of existing commercial properties within the Callexico Downtown Design and Implementation Program areas. The façade rebates are provided in recognition of the extremely valuable impact these investments have on the effort to maintain the vitality of our commercial areas. The objective of this program is to promote joint public/private action and the investment in the areas which will complement and enhance the large scale revitalization efforts planned for the downtown areas. All façade improvements must be consistent with the design guidelines established for the Callexico Downtown Design and Implementation Program and Redevelopment Agency Areas. The administration of this program will be the responsibility of the Redevelopment Agency.

The Storefront Rebate Program will initially be funded with Tax Increment Funds and subsequently by other funds when available. This project will activate prevailing wage, under the Prevailing Wage Law, labor code section 1770 et. seq. www.dir.ca.gov/dlsr/#PWD. The RDA will monitor job creation and retention. The City of Callexico requires the Building Contractor be State Licensed, present General Liability Coverage, Worker's Compensation and have a current City of Callexico business license.

The Redevelopment Agency does provide you the option to apply for a rebate after you have completed the project. The project will be reviewed by staff to ensure your project qualifies before construction commences.

The propose of the program is to encourage business expansion, job retention and elimination of blight. Within 90 days of completion of the project the business owner will be required to inform the Redevelopment Agency of jobs retained and/or created. The Redevelopment Agency will conduct an annual inspection of the improvements for a period of 5 years.

These guidelines have been developed to present the basic elements of the Rebate Program with specific emphasis on the eligibility criteria for selection of applicant/area, types of improvements and reimbursable expenditures. Details of the necessary documentation for processing grants under this program are outlined in the Procedural Steps.

II. STOREFRONT REBATE PROGRAM DEFINITIONS

For purposes of this program, the following definitions will apply:

1. Awning Canopy - A temporary shelter, sometimes retractable, that is supported entirely from the exterior wall of a building.
2. Codes - The Building Code and Zoning Code of the City of Calexico, latest editions.
3. Design Review ARC - A committee which will be responsible for plan review of exterior improvements for consistency with established Design Guidelines.
4. Design Guidelines - Architectural design guidelines developed for rehabilitation in the Calexico Downtown Design and Implementation Program commercial revitalization area.
5. Exterior Lighting - Lighting fixtures and the installation of same, attached or connected to existing building undergoing renovation. Exterior lighting does not include free standing lighting in the public way. All exterior light must be UL certified. The use of Solar Power is encouraged.
6. Façade - The entire exterior front surface of an existing building from grade to the roof line. Improvements above the storefront level are only eligible when performed in conjunction with storefront improvements. Where a building abuts two streets, empty lot, parking area, or open space, such building may have other faces considered façades at the discretion of the Agency. Decorative fencing and landscaping of vacant parcels adjacent will also be considered on an individual basis.
7. Landscaping - Landscaping items (e.g., trees, bushes, planter boxes), are eligible when considered integral to the façade treatment of the building. Eligibility is determined at the discretion of the Agency.
8. Final Design - Detailed drawings showing the refined Preliminary Design and revised cost estimates.
9. Passive Energy Conservation Equipment - Equipment and/or materials which by their very nature and method of use and installation improve the energy efficiency of the building. Such equipment must be part of the building and may include canopies, awning, shutters, or other shading devices, and special glazing.
10. Preliminary Design - Initial conceptual sketches of improvements based on the objectives of the owner(s).
11. Shutter - Moveable cover or screen for a door or window to provide protection from the elements, acceptable to the design review committee.
12. Working Drawings and Specifications- The drawings which show detailed methods of installation and materials and the specifications there from to be followed in constructing the improvements.

13. Sign - Any commercial sign attached to the building which is consistent with the City Sign Ordinance and any applicable specific plan. The sign must be UL certified.

III. ELIGIBLE APPLICANTS/AREA

A. Applicants

Owners, tenants, and lessees of commercial property are eligible to apply for assistance. Tenants and Lessees are required to provide documentation of the property owner's consent of the improvements at the time of initial application. Written consent may either be in the form of a lease indicating the lessee's responsibility for property renovation and repair or documentation of the property owner's agreement to the proposed rehabilitation. The property owner is required to provide a copy of the Deed of Trust. A tenant will provide the owners written consent for the improvement.

B. Areas which are located within Calxico Downtown Design and Redevelopment Agency areas are eligible for assistance under this program. (See Attachment A for map of Eligible Areas.)

C. Property is eligible for a rebate by parcel. If a tenant is the applicant the rebate will be considered by address.

D. Replacement of an existing building is eligible for a storefront rebate within 3 years of issuance of demolition and building permit issued.

IV. ELIGIBLE REIMBURSABLE EXPENDITURES

Approved property owners and tenant who install improvements of storefront are eligible for a rebate of up to 50% of the costs. The agency's maximum rebate is \$40,000 per parcel for all approved improvements.

Approved rehabilitation of upper floor façades is also eligible if first floor improvements are approved and/or performed. Professional, legal, and city permit fees may be included in the total storefront improvement costs.

Applications for a rebate after a project has been started *will not* be accepted. *All requests must be prior to start of construction.*

V. ELIGIBLE TYPES OF IMPROVEMENTS

Eligible improvements may include: façade renovation; signs; doors; windows; awnings; graphics; exterior lighting improvements; landscaping; decorative fencing and landscaping of vacant parcels in connection with a façade treatment; capital improvements such as surface parking lot installation and improvements, sidewalks, lighting, curbs and gutters in conjunction with façade work; and certain types of passive

energy conservation improvements. All improvements must conform with the City Building Codes and the Design Guidelines adopted for the area. Participant's proposals will be subject to design review by the Architectural Review Committee. All businesses are required an existing City of Calexico Business License.

VI. INELIGIBLE IMPROVEMENTS(EXCLUSIONS)

1. Project related costs and improvements started prior to approval.
2. Anything *not* visible from the exterior of the building along the primary street or access point such as alleys or parking lots except for the painting of the exterior walls. Alley area does not qualify for storefront rebate.
3. Roofing or mechanical equipment.
4. Exterior improvements not approved by the agency.
5. Businesses operating without a valid City of Calexico business license.

VII. REBATE SCHEDULE

Financial assistance for exterior improvements in the form of a cash rebate as follows:

<u>Cost of improvements</u>	<u>Amount of Rebate</u>
\$ 1,000	\$ 500
10,000	5,000
20,000	10,000
30,000	15,000
50,000	25,000
80,000	40,000
90,000	40,000
100,000	40,000

50% of the improvement cost to
a maximum of \$40,000

Maximum Rebate \$40,000

VIII. Rebates will be made for improvements started and completed after the Agency's acceptance of the final plans and specifications. Receipt of the rebate is subject to an inspection by Agency staff and the submission of complete documentation of project costs, including:

- 1) Application, plans and final rendering
- 2) Inspection by Agency
- 3) The applicant's cancelled checks and bills;
- 4) Copies of building permits; with final occupancy approval
- 5) All contractor's waivers of liens;
- 6) Certificate of Liability
- 7) A photograph of the building before and after completion of the façade improvements.
- 8) Copy of deed and/or property profile and/or lease agreements
- 9) Executed Storefront Rebate agreement

IX. APPEAL PROCESS

The applicant has the right to appeal the Design Review Committee decision to the Agency Board.

STOREFRONT REBATE PROGRAM PROCEDURES

- Step 1: Initial contact is made with grant recipient. This step will occur with the Agency Staff. The initial contact should determine whether the project is located within the Callexico Downtown Design and Implementation Program area and if the proposed activities are within the program guidelines. The Storefront Rebate Program Guidelines will be reviewed and a copy of the Guidelines, including the application form, will be provided to the potential applicant.
- Step 2: Tenant or property owner fills out application form and sends application to the Agency with a photograph of the storefront if the individual applying is not the property owner, documentation written authorization proving the individual has the approval of the property owner to perform the façade renovation work.
- Step 3: Preliminary plans (two copies), color samples, awning designs (if included) and 2 cost estimates, should be submitted for review and approval by the Design Review Committee and Agency Staff. Agency staff will perform an in-house estimate of improvements costs. In-house estimates should not have more than 10% cost difference on the project compared with the licensed contractor cost estimates. If revised cost estimates are necessary you will be notified to submit new cost estimates. (NOTE: All information should be submitted together and cost estimates should be by a licensed contractor.) If necessary, environmental review of the project will occur at this stage. Decisions of the Design Review Committee can be appealed to the Agency Board, which shall be the final decision.
- Step 4: Application and documentation provided is reviewed by the Agency Staff/Redevelopment Advisor to determine whether the activities are within the program guidelines.
- Step 5: Upon approval of the preliminary plans, the applicant should prepare and submit final plans, specifications and detailed cost estimates to the Agency. If the final plans are consistent with the approved preliminary plans, the Agency will review and approve the final plans.
- Step 6: All improvements require building permits, applicants must submit final plans to the Building Department.
- Step 7: The building permit is submitted to the Agency. Upon submission and approval of these documents, an approval letter indicating the estimated rebate is sent to the applicant. This letter requires the applicant to complete improvements within 180 days from the date of the letter and states that partial completion of the project will void all agreements. If the façade improvement is part of an overall larger

rehabilitation, it will be agreed upon by the applicant and agency staff ,the maximum time requirement and documented in this letter. If the project is not started and/or completed on the agreed dates the project approvals and reimbursements can be voided. (All change orders must be approved by the Agency if they alter the storefront improvements previously approved. If the amount increases with a change order the owner or tenant will be responsible for the cost difference.

- Step 8: After completion of the work, the applicant's cancelled checks and bills, copies of the building permits, all contractor's waivers or liens, and a photograph of the storefront improvements should be sent to the Agency. (NOTE: All information should be submitted together.)
- Step 9: Agency staff examines the finished work for compliance with the general design recommendation and any approved change orders.
- Step 10: If the work is in compliance with the guidelines, a rebate check is sent to the applicant within thirty (30) days of Agency receipt of complete documentation.
- Step 11. The applicant will be subject to annual inspections of the façade improvements for a period of 5 years..

EXISTING SIGN ORDINANCE

Calexico has an adopted Sign Ordinance. This Sign Ordinance is contained in the Municipal Code under Building and Construction Title 15. Section 15.28 and 15.30 of the Building Code state the following (in general):

It is unlawful to construct or maintain any sign in the city unless it conforms to the following specifications.

1. Standard Chain Store Signs are allowed (e.g. MacDonald's, Jack-in-the-Box, etc.)
2. Painted signs on arcades or buildings are limited to two (2) words describing type of business (conducted on premises); All other painted signs are unlawful;
3. All signs must be UL certified
4. The use of Solar Power is encouraged.

Note: Guidelines in the Downtown Design and Implementation Program are to be followed for all signs in the designated downtown area.

**ADDENDUM TO
CALEXICO COMMERCIAL STOREFRONT REBATE IMPROVEMENT
PROGRAM GUIDELINES**

Amendment Date	The following has been approved by the Calexico Community Redevelopment Agency Board
6/8/93	Amendment to require applicants to obtain Unreinforced Masonry clearance from the Building Department in order to be eligible to participate in said program.
9/13/94	Amendment to place a 10 year lien on improved property which would reduce by 10% per year. This lien provision is to guard against the possibility of an applicant applying for assistance and selling the improved property before the 10 year easement deed has expired. (Please read Owner Agreement, Item No. 4, <u>Repayment</u>).
12/13/94	Amendment to allow Lessee to participate in Program by signing an agreement. (Please read Lessee Agreement).
12/13/94	Expansion of the boundaries of the Program which were set in 1987 to match the existing Merged Central Business District and Residential Redevelopment Project Area boundaries through Amendment No. Three. (See Attachment A for a listing-of map of Eligible Areas).
01/14/2003	Reset the boundaries for the Storefront Rebate Program to First Street to Fifth Street and western boundary of Heffernan to the Eastern boundary of Mary) and both sides of Imperial Ave (from first to Highway 98).
04/08/2003	Reset the boundaries for the Storefront Rebate Program to the areas which are located within Calexico Downtown Design and Implementation Program areas map are eligible for assistance under this program. (See Attachment A for map of Eligible Areas.) Guidelines were revised to allow rebates only existing buildings within the eligible area. Amount of Rebate was lowered to a maximum of \$ 10,000.
11/12/2003	Redevelopment Agency Board approved removal of liens on properties however stating that no alterations could be made to properties without prior approval from the Design Review Committee. (Note: Established liens were also discussed and committee concurred on having the existing liens stay).
01/22/2008	Redevelopment Agency Board approved to increase rebate to \$40,000 Rebate available to property owner or tenant upon submission of the

required documentation. An Easement and Lien to be placed on the property that will notify the Agency of ownership change within a 5 year period of the construction completed. The Agency will conduct annual inspection of the improvements for a period of 5 years. Require the business to report job creation/retention statistics.

03/04/2008

Redevelopment Agency Board approved to Storefront rebate presented. The RDA Board requested to delete in section of the guidelines "Existing Sign Ordinance" page 9 #1. "Wood or metal sign not more than three(3) feet in width (of a certain color) consisting of not more than two (2) lines, containing only the name and type of business. Such sign may be bolted horizontally and securely to the front or arcade of the building": and to delete #3. "Painted signs on arcades or buildings are limited to two (2) words describing type of business (conducted on premises); all other painted signs are unlawful".

05/20/ 2008

Redevelopment Agency Board approved to add to guidelines "Signs must be UL certified; purchased in the United States and adhere to the City's Sign Ordinance; Any business located outside the Redevelopment Project Areas requesting assistance under the Storefront Rebate Program must be approved through a Resolution documenting the findings and recommendations for a rebate.

09/02/08

Redevelopment Agency Board Approved Storefront to have option (1) a pre-construction approval or Option (2) accept storefront applications rebate request after all construction work has been completed and inspections approved. RDA Board requested to encourage applicants to use Solar Power at the business site.